



The Hour

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DIAMOND SHIPMENTS TO U. S. AIDING NAZI CAUSE

Precious and Semi-Precious Stones Being Handled by Nazi-Controlled Concerns in this Country; Key Man in Importing Gems is Von Clemm, Relative of Von Ribbentrop and Former Associate of William R. Davis

The Hour learns that during the last few months the Third Reich has been shipping into the United States large quantities of diamonds and other precious and semi-precious stones; that various U. S. concerns, controlled and subsidized by Germany, are marketing these gems (and other merchandise) in this country; and that, in this manner, the Nazis are obtaining foreign exchange in the U. S. The funds thus secured can be used for various Nazi purposes, not the least of which may be financing propaganda and espionage activities in America.

Many of the stones being imported were seized by the Nazis when Belgium, Holland and France were invaded; others are apparently being obtained from Vichy-controlled colonies. The merchandise is now reaching America via South Africa. The stones are flown from Axis territory in Europe to Dakar and from Dakar to Brazil. The Italian airline brings most of them. Once the stones have arrived in South America, they are usually flown up the West Coast to Los Angeles and San Francisco.

In one package that recently arrived in the United States, there was approximately \$100,000 worth of precious and semi-precious stones.

We are reliably informed that within the last few weeks, U. S. Government authorities have confiscated a large shipment of Third Reich gems.

Companies Involved

Among those U. S. concerns most actively involved in importing these gems is the Pioneer Import Corporation, located at 157 Chambers Street, New York City. This firm specializes in bringing precious and semi-precious stones into this country. It is said that the shipment of gems seized by the Government authorities was destined for Pioneer Corp.

Pioneer was incorporated in New York State in 1938; and from its origin the company was engaged in importing varied merchandise from Germany. Since the outbreak of the war, Pioneer has continued its importing business, although some mystery has shrouded the methods by which mer-

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chandise from Germany. Since the outbreak of the war, Pioneer has continued its importing business, although some mystery has shrouded the methods by which merchandise has lately been reaching the company.

Pioneer Import Corporation was originally a subsidiary of the International Mortgage and Investment Corporation, which was incorporated in Maryland in 1926. The International Mortgage and Investment Corporation is dominated by German interests.

Pioneer Corporation officials are extremely reluctant to divulge information concerning their financial operations. The Hour, however, has uncovered two facts indicating how intimate is the financial relationship between Pioneer and the Third Reich: 1) Pioneer has large deposits on banks in Berlin, Germany; 2) German banks are advancing handsome sums as "loans" to Pioneer -- despite the fact that this concern is operating at a loss.

The general activities of the Pioneer Corporation are obscure and suspicious. Although doing import business in California, the company has not registered with the Secretary of State. Nor, as far as we have been able to learn, has the company filed tax returns with the Franchise Tax Commissioner in California -- despite the regulation that every corporation conducting business operations in that state file such returns.

Connections of Pioneer Head, Von Clemm

President, Treasurer, and a Director of Pioneer Corporation is Werner C. Von Clemm. Von Clemm was born in 1897 at Mainz-on-Rhine, Germany. He was educated in Germany and was graduated from the Frieberg High School and University. He held the commission of Lieutenant in the Artillery in the German Army during the World War. Members of his family are prominent in Third Reich industrial and political circles. His twin brother is a partner in Hardy & Co., a well-known banking house in Berlin.

A cousin of Von Clemm is married to Joachim Von Ribbentrop, Minister of Foreign Affairs for the Third Reich.

Von Clemm came to the United States in 1922 and is today a naturalized citizen.

Von Clemm's present activities are by no means limited to his work in the Pioneer Corporation. He is also a Director of the American Machine and Equipment Company, Inc., 161 Duane Street, New York City. This firm also specializes in imports. President of this company is Emil Ebner. Ebner came to the United States from Germany in 1927.

Another directorship held by Von Clemm is in the International Mortgage and Investment Corporation, 70 Pine Street, New York City. This corporation is, as we have stated, the parent corporation to Pioneer. Other Directors of International Mortgage and Investment are John Belok, Dr. Adolph Friedrichs, Dr. Herman Leising, H. F. van Meer, Arthur Freundt and

Hugo Ratzman. Friedrichs and Leising are residents of Berlin, Germany. Van Meer is a resident of Amsterdam, Holland. Belck is a native of Germany and now a naturalized American citizen. The principal assets of International Mortgage and Investment consist of German mortgages and real estate in Germany. The charter of the corporation is a markedly loose one, which permits the Directors to invest the capital of the corporation in almost any way they deem advisable.

Von Clemm and William R. Davis

An interesting sidelight is the fact that Von Clemm, from March, 1936, until June, 1938, acted as Import Manager for Davis & Co., Inc., 30 Rockefeller Plaza, New York City. President of Davis & Co. is William R. Davis, who recently received so much publicity because of the oil deals he had negotiated with the Nazis.

Immediately after leaving the employment of Davis, Von Clemm began organizing the Pioneer Corporation. During the preliminary work of organizing this company, Von Clemm visited Germany. On his return, Pioneer Import was incorporated, with the announced purpose of acting as an import agent and as a liquidator of funds (German marks), which are not allowed to leave Germany except in the form of exports.

Director Guetschow

One of the three Directors of Pioneer Corporation is Paul Guetschow. Like Von Clemm, Guetschow is a native of Germany. Like Von Clemm, Guetschow's activities are not limited to the office he holds with Pioneer. Guetschow is President and Director of Jungmann & Co., Inc., Importers and Exporters of Chemicals, Drugs and Raw Materials, located at 157 Chambers Street, New York City. Guetschow is reluctant to give details regarding the financial operations of his firm.

Through the efforts of Von Clemm, Guetschow and their associates -- through the operations of Pioneer Import Corporation, American Machine & Equipment Company, International Mortgage & Investment, and Jungmann & Co. -- the Third Reich is not merely bringing precious and semi-precious stones into the United States. Other merchandise, easy to ship and sell, is being transported in the largest possible quantities. The proceeds are being used in the United States for such purposes as the Third Reich considers most expedient.

From the secretive manner in which the above corporations are operating, it seems evident that what is good business for the Third Reich is bad business for the United States.

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DESTINY MAGAZINE ADVERTISEMENT

On Sunday, May 18, the New York Times carried an advertisement for Destiny magazine, the organ of the Anglo-Saxon Federation. The fascist, anti-Semitic policies of the Federation have for some time been a matter of public record. Among various Federation projects has been the distribution of the Protocols of Zion, infamous Jew-baiting forgery. William J. Cameron, Henry Ford's public relations man (who introduced the Protocols to this country in the Dearborn Independent), has long been one of the leaders in the Anglo-Saxon Federation. He was originally its president and more recently became its Director of Publications.

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FIFTH COLUMNISTS AND LYNCHING

The National Association for the Advancement of Colored People has written a letter to President Roosevelt protesting against the lynching of A. C. Williams at Quincy, Florida, on May 12. In its communication, the organization states that native Fifth Column forces are responsible for this lynching and others, and that by such anti-democratic actions these forces are giving direct aid to the Nazis.

After voicing its protest and asking for an immediate investigation by the Department of Justice, the letter declares:

"We are concerned with lynching as it relates to the aims of our national defense effort. You have said that every man, woman and child has a stake in this effort ... You have pictured the struggle as one to preserve the democratic freedoms against the forces of oppression, brutality and death.

"In this immense effort our country is weakened morally and physically by the lynchers who kill at their whim, and by officers of the law who make no effort to protect their prisoners or to arrest the lynchers. Into the hands of Virginio Gaydo and Paul Joseph Goebbels the Florida mob and all other mobs have thrust the answer to America's protestations and actions in the international conflict.

"A pronouncement from the Chief Executive on this crime would hearten those Americans who abhor lynching and who stand defenseless before the gibes of those who regard our country's defense as hypocritical."

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